

**FISCAL NOTE**  
**HB 19**  
**FIRST EXTRAORDINARY SESSION**

April 5, 1999

**SUMMARY OF BILL:** Exempts all food or food products, except alcoholic beverages and tobacco, purchased at retail for home consumption from sales tax.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - Exceeds \$408,000,000**

**Increase State Expenditures - \$82,000 One-Time**

**Decrease Local Govt. Revenues - Exceeds \$153,000,000**

Estimate assumes:

- food sales of \$6,811,000,000.
- sales tax rate of 8.25% of which 6.00% is state portion and 2.25% is local portion.
- a one-time increase in state expenditures for MIS System implementation costs.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

  
James A. Davenport, Executive Director